



## DEPARTMENT OF PLANNING AND BUILDING

July 8, 2016

James Anderson – Phillips 66  
2555 Willow Road  
Arroyo Grande, CA 93420

**RE: Phillips 66 Rail Spur Development Plan / Coastal Development Permit DRC2012-00095**

Dear Mr. Anderson,

This letter is a follow up to the May 16, 2016 Planning Commission direction, my e-mail of May 23, 2016 and my letter dated June 1, 2016 and associated Cost Estimate Forms. All of these items refer to the information and funding required in order for the Planning Commission to complete their deliberations on the proposed Phillips 66 Rail Spur Project.

Since the last Planning Commission hearing on May 16, 2016, the County has sent two items to Phillips 66 regarding the need for information and funding necessary in order for the Planning Commission to complete their hearings on the project. We have also had several discussions with Phillips 66 on this matter. First, staff submitted a follow up email dated May 23, 2016 requesting further project information (attached). The second item is a letter with attached scopes of work and cost estimate forms dated June 1, 2016 (attached). Both items are in response to the direction provided by the Planning Commission during their May 16, 2016 hearing. Because this information (including the funding to pay for staff and consultant time) has not been submitted to date, the necessary analysis, conditions of approval and findings will not be completed in time for the September 22<sup>nd</sup> Planning Commission hearing.

The county has a policy to recover the full cost of service (including consultant costs) for all major projects. Due to the unique nature of this particular project, the County has spent considerably more staffing time than a typical Development Plan with EIR (i.e. weekly meetings as requested by Phillips 66, six Planning Commission hearings, 20 staff covering the crowd control during hearings, additional printed materials for the public, speaker slips, the cost of renting the Fremont Theater for overflow during the first 2 days of hearings, support from the County Counsel's Office and Sheriff security etc.).

The current contracts that the consultant team have been operating under are just about completed and accounts depleted accordingly. Specifically, our contract with SWCA does not contain any additional funding due to the amount of additional work it took to get through the Planning Commission hearings to date. The MRS contract contains remaining funds/tasks to complete the CEQA Findings and attend four more hearings with one contractor (John Peirson), however no funding to complete the additional analysis that the Planning Commission has requested or attendance of the hearings by subject matter specialists or any work related to the Board of Supervisors hearings.



This letter serves to inform Phillips 66 that without the necessary information and funding, the county cannot complete processing of the application as directed by the Planning Commission. Therefore, pursuant to Title 23/Coastal Zone Land Use Ordinance Section 23.02.056, if the necessary information is not received within **90 days of the May 16<sup>th</sup> Planning Commission Hearing (August 15, 2016) the project will be deemed withdrawn.** Pursuant to the Coastal Zone Land Use Ordinance, this letter acts as notification to Phillips 66 of the date for which the application will be withdrawn is August 15, 2016.

If the current application (DRC2012-00095) was deemed withdrawn, Phillips could refile the application at a future date. A new application would need to include, but will not be limited to the following:

- Re-submitted application form.
- An updated project description.
- The necessary information as requested from the May 16, 2016 Planning Commission hearing and email sent by Ryan Hostetter dated May 23, 2016 (attached).
- A signed cost recovery form with a deposit based on the current County fee schedule. Note that the project will be billed for any County staff time incurred on the project.
- The signed cost estimate forms and funding for both MRS and SWCA if the project requires the consultant team's expertise and involvement in the project hearings in any way. Note that depending on when and how the application is resubmitted, the costs may vary and an updated cost estimate may be required.
- Any additional information deemed necessary by the County in order to continue processing of the application.

If you have questions regarding this letter, please feel free to contact me.

Sincerely,



Ryan Hostetter  
Project Manager

Attachments:

- Email dated May 23, 2016
- Scopes of Work (which were submitted to Phillips 66 on June 1, 2016)



# Check in and Request for Information

Ryan Hostetter

Mon 5/23/2016 12:11 PM

To: Anderson, Jim: <James.O.Anderson@p66.com>;

Cc: Ellen Carroll <elcarroll@co.slo.ca.us>; Bill Henry <bhenry@swca.com>; John Peirson <john.peirson@mrsenv.com>; Steve Mc Masters <smcmasters@co.slo.ca.us>; Whitney G. McDonald <wmcdonald@co.slo.ca.us>;

 1 attachment (5 MB)

Valero Crude by Rail-Economic Report.pdf;

Hi Jim,

I wanted to follow up on a few items as we work toward the information needed to get to Planning Commission on Sept 22nd. We did talk a bit at the end of the last hearing about some needs from Phillips and I wanted to follow up on that here (as well as some additions). Would you send this on to Jocelyn as well - I could not find her email address (we are on a new system here):

We would like you to put a list of all the mitigations in the FEIR and categorize them. First are the simple group which can be easily accomplished and perhaps group those together in a list, then the group that you think we are preempted from implementing, and finally a group that are applicant proposed. Regarding the applicant proposed, it sounded like there were items that Phillips was agreeing to include in the project description so perhaps those as a separate item in the project description but in a list form that is easy to separate and identify.

We would like you to present a more formal project description for the 3 train per week alternative as Commissioner Irving noted in the end of the last hearing. I think that would include how that alternative would function in more detail from your perspective. I believe Mr. Irving was looking for details such as how many trains per year, how many could come in on one day etc.

We are also adding some time in the MRS scope to make sure we cover items that we have to prepare responses to regarding the 3 train per week alternative. For example air quality and hazards information to make sure we have all the analysis in the record for the 3 train per week option and respond to questions that came up (i.e. if you were to have your own tier 4 engines on site owned/operated by P66 how would this look in the air quality picture such as what Commissioner Meyer brought up etc.). I am assuming that once you put together your updated project description we will have some calls to talk about items we have to have some more analysis on for the record (although we are not thinking we have to re-run any HRA models - most of it is pretty straight forward). In short, we just want to make sure that questions or comments that came up regarding the 3 train per week along with other proposed mitigations are covered in the record from an analysis standpoint.

We would like your list of project "overrides." One useful item that Valero put together was a 3rd party economic study (example attached) which we believe would be very helpful for the Commission to review. Would Phillips be able to prepare something similar?

In addition, we will be submitting you a cost estimate form for additional consultant services from both MRS and SWCA in order to prepare all the needed documentation, findings and conditions for the hearing as well as the



time to get through potentially multiple Commission hearings (we are guessing 4 more meetings as we have to reopen public comment) and approx. five upcoming Board of Supervisors Hearings. I am hoping to get that to you by the end of the week.

You had mentioned starting up the weekly calls again and after more thought we want to hold off on this as it takes a lot of staff and consultant time, and we are going to try and be very efficient this point forward on meetings. I think for now we set up calls on an as needed basis with the team and schedule them when folks are available depending on who is needed for the particular call.

That is all I have at this point but I wanted to check in with these items before too long. If you have any questions please feel free to give me a call.

Thank You,

Ryan Hostetter AICP  
Supervising Planner  
Housing and Economic Development  
County of San Luis Obispo  
(805) 788-2351





SAN LUIS OBISPO COUNTY  
DEPARTMENT OF PLANNING AND BUILDING

June 1, 2016

James Anderson – Phillips 66  
2555 Willow Road  
Arroyo Grande, CA 93420

**RE: Cost Estimate for Phillips 66 Rail Spur Project Amendment/Revised Project- MRS (EIR)  
and SWCA (Assistant Project Manager)**

Dear Mr. Anderson,

Attached you will find the completed Cost Estimate Forms for the Phillips 66 Rail Spur project – MRS and SWCA. The activities covered under these cost estimates will include the work contained in the scope of work prepared by the above referenced consultants (attached) as a result of the Planning Commission discussion at their May 16, 2016 hearing. This request is necessary for the County to complete these tasks in a timely manner and keep the project on schedule due to the request of the Commission on May 16<sup>th</sup>. There will be additional public hearings, and the need for funding through the Board of Supervisors hearings.

Please complete the signature lines and submit the originals of both forms with two separate checks (made out to the "County of San Luis Obispo") to us no later than **June 10, 2016** in order for the County to continue on the current schedule and complete the necessary work for the September 22<sup>nd</sup> Hearing.

County Planning & Building Department  
Attn: Accounting Division (Tracy Wanek)  
976 Osos St., Room 200  
San Luis Obispo, CA 93408-2040

Please also submit a copy of the signed form to me to keep in the project file. Should you have any questions, please give me a call.

Sincerely,

Ryan Hostetter  
Project Manager

Attachments:

- Cost Estimate Forms
- Scopes of Work





## Environmental Impact Report(EIR) – ESTIMATED COSTS

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING

976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

*Promoting the Wise Use of Land • Helping to Build Great Communities*

Using Form

Trust Account Number \_\_\_\_\_ Project Manager: Ryan Hostetter Date May 31, 2016

Project Title/Type Phillips 66 Development Plan / Coastal Development Permit

ED/Planning Numbers: ED 12-201 / DRC2012-00095 Contract Type: Existing Contract Amendment #4C

### CONSULTANT COSTS:

a)	Meetings/Hearings (total not to exceed)	\$76,086.90
b)	Response to Letters submitted to PC and Board	\$36,787.80
c)	Staff Report and Conditions of Approval for PC and BOS Hearings	\$19,876
d)	<u>Evaluation of New Permit Conditions</u>	\$9,674.40
Total Consultant Base Subtotal		\$142,425.10

e) Options (Additional analysis response to comments and technical staff support)

Contingency (30% of consultant costs fee) \$42,727

Other \_\_\_\_\_ \$0

Other Cost Subtotal \$42,727

SUBTOTAL 185,152.10

### ENVIRONMENTAL COORDINATOR'S ADMINISTRATIVE FEE:

(30% of consultant base costs, contingency & options) \$55,545.63

SUBTOTAL \$240,697.73

TOTAL ESTIMATED COST **\$240,697.73**

Approved by Ellen Carroll Ellen Carroll June 1, 2016  
Name Signature Environmental Coordinator (Date)

Document to be Prepared by: MRS, Attn, John Peirson, Principal (805) 289-3923

As applicant for this project, I hereby accept the estimated cost for preparation of the above document and agree to deposit with the Co. of San Luis Obispo, Dept. of Planning & Building-Environmental Division, a sum equal to the estimated cost. Upon receipt of this sum, the Environmental Coordinator is authorized to employ the above-named consultant and to complete the document.

Applicant or Agent Signature Date Telephone

#### For official use only

☐ Original to Accounting

☐ Board Contract OAR # \_\_\_\_\_

cc-Accounting



May 24, 2016

Ms. Ryan Hostetter  
Department of Planning and Building  
County of San Luis Obispo  
976 Osos Street, Room 300  
San Luis Obispo, CA 93408-2040

Re: Phillips 66 Santa Maria Refinery Rail Project EIR—Request for Additional Hearing and Meeting Support Funds

Dear Ryan:

MRS is submitting this funding request to the County to cover additional costs for hearing and meeting support for the Phillips Rail Spur Project EIR. At the May 16<sup>th</sup> Planning Commission hearing County staff was directed to prepare all of the material that would be required for the Commission to consider approval of the project. MRS has expended the hearing budget in the current contract and will need additional funds to cover the ongoing Planning Commission hearings as well as the expected appeal to the Board of Supervisors.

The scope of work presented below covers support for and attendance at the additional Planning Commission hearings and the likely Board of Supervisors appeal hearings.

**A. Scope of Work**

The scope of work has been divided into two parts. The first part covers the additional Planning Commission hearings and the work needed to prepare an approval package for the Commissions consideration. The second part covers the Board of Supervisors appeal hearings and the work needed to prepare all of the required appeal hearing documents.

**1. Planning Commission Hearings**

At the May 16<sup>th</sup> Planning Commission hearing County staff was directed to prepare all of the material that would be required for the Commission to consider approval of the project. There are a number of tasks that need to be completed prior to the next Planning Commission hearing to prepare an approval package. In addition, time will be required for preparation and attendance at the additional Planning Commission hearings. Each of the major Planning Commission hearing tasks are discussed below.

**Responses to Letters Submitted During Planning Commission Hearings**

A large number of comment letters have been submitted to the Planning Commission after the release of the FEIR that were not addressed during the Planning Commission Hearings. A large number of these comments have to do with the adequacy of the FEIR. With staff recommending denial of the project, it was not necessary to respond to these comments since with a denial, the FEIR would not be certified.



May 24, 2016

Ms. Ryan Hostetter  
Department of Planning and Building  
County of San Luis Obispo

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However, now that the Planning Commission is considering approval of the project, which would require certification of the FEIR, responses to these comments letters need to be developed for the administrative record. Extensive comments on the adequacy of the FEIR have been submitted by CBE, Adams and Broadwell, Mesa Watch Group, and EDC. These letters cover a wide range of issues regarding air quality, agriculture, hazards, biology, visual, consistency with local plans and policies, etc. A number of these comments deal with issues related to the analysis of the three trains per week alternative.

It is also likely that additional comment letters will be submitted to the Planning Commission during the future Planning Commission hearings that will need responses. MRS has included some time in this task to cover developing response to letters submitted to the Planning Commission as part of the additional hearings.

For the comments related to the adequacy of the FEIR, MRS will develop a list of topical issues raised in the comment letters and develop responses, which will become part of the administrative record.

#### **Staff Report and Conditions of Approval**

MRS will be assisting the County with the development of the new staff report and the conditions of approval. An updated consistency analysis will need to be developed for the three train per week alternative that will be part of the new staff report. MRS will also be assisting the County with the development of the required Statements of Overriding Consideration. For costing purposes it has been assumed that the County will take the lead in preparing an initial draft of the staff report and conditions of approval. MRS has included time to provide assistance with developing the initial draft as well as time to review and comment on the various drafts of the staff report and conditions of approval.

#### **Evaluation of Possible New Conditions**

During the Planning Commission hearing on May 16<sup>th</sup>, the Commission discussed a number of possible new project related conditions for consideration that are not included in the FEIR. These included items such as:

- Use of dedicated Tier 4 locomotives at the SMR site,
- Increasing the size of the berm at the southeast end of the rail spur tracks, and
- Installation of additional landscaping to screen the project area from the Trilogy development area.

These possible conditions need to be evaluated to determine how they would affect the environmental impact of the project. For example, the use of dedicated Tier 4 locomotive at the SMR site would affect air emissions, noise, and hazards. Use of dedicated Tier 4 locomotives would require a diesel fueling station on site, which could affect hazards associated with spills. Also there would be additional air emissions associated with trucking diesel to the SMR and for the additional time needed to change locomotives.



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Department of Planning and Building  
County of San Luis Obispo

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Evaluation of the environmental impacts is needed to determine if there is any environmental advantage to these possible new conditions, and to assure that they have been adequately evaluated as part of the administrative record.

MRS will prepare an environmental evaluation for each of the various possible new conditions raised by the Commission. This information will become part of the administrative record and can assist in determining the effectiveness of these various conditions on reducing environmental impacts.

#### **Planning Commission Hearings**

It has been assumed that four (4) additional Planning Commission hearing will be needed for the Commission to make a final decision on the project. The Commission will need to reopen public comment so interested parties can address the new information such as the CEQA findings, conditions of approval, statements of overriding considerations, etc.

This task also includes time that will be needed to prepare for each of the hearings, and includes things such as the development of PowerPoint slides to address issues raised by the public and the Commission.

#### **Meetings**

Time has been included for meetings with the County that will be required as the various tasks discussed above are undertaken. It has been assumed that meetings will be required prior to some of the Planning Commission hearings, as was the case with previous hearings.

## **2. Board of Supervisors Hearings**

Once the Planning Commission has taken a final action on the project, it is highly likely that the decision will be appealed to the Board of Supervisors. There are a number of tasks that would need to be undertaken as part of the appeal process to the Board of Supervisors. Each of these tasks are discussed below.

#### **Responses to Letters Submitted During Board of Supervisor Hearings**

It is likely that once the Planning Commission makes a final decision on the project, that a large number of comment letters will be submitted to the Board once the appeal has been filed. MRS has included time to assist the County in addressing these comment letters. Since it is likely that a number of these comments letter will deal with the adequacy of the FEIR, it is critical to develop responses as part of the appeal process and for the administrative record.

#### **Staff Report**

MRS will be assisting the County with the development of the appeal staff report that will be needed for the Board of Supervisors. For costing purposes it has been assumed that the County will take the lead in preparing an initial draft of the staff report. MRS has included time to provide assistance with



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Department of Planning and Building  
County of San Luis Obispo

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developing the initial draft as well as time to review and comment on the various drafts of the staff report.

#### **Board of Supervisor Hearings**

It has been assumed that five (5) Board of Supervisor hearings will be needed to address an appeal of the Planning Commission decision. The Board will need to take public comment on the appeal, which is expected to cover about three of the hearings.

This task also includes time that will be needed to prepare for each of the hearings, and includes things such as the development of PowerPoint slides to address issues raised in the appeal, and by the public and the Board of Supervisors.

#### **Meetings**

Time has been included for meetings with the County that will be required as the various tasks discussed above related to the Board of Supervisor hearings are undertaken. It has been assumed that meetings will be required prior to some of the Board of Supervisor hearings, as was the case with previous Planning Commission hearings.

#### **B. Cost**

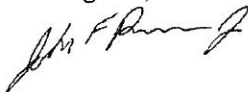
The additional cost for the items discussed above is \$142,425.10. Table 1 provides a summary of the costs by task. Table 2 provides a detailed breakdown of the costs.

**Table 1 Summary of Additional Hearing and Meeting Costs**

<b>Task</b>	<b>Planning Commission Hearings</b>	<b>Board of Supervisors Hearings</b>	<b>Total</b>
Response to Letters Submitted to PC	\$ 20,907.60	\$ -	\$ 20,907.60
Response to Letters Submitted to Board	\$ -	\$ 15,880.20	\$ 15,880.20
Staff Report and Conditions of Approval	\$ 10,818.00	\$ -	\$ 10,818.00
Appeal Staff Report	\$ -	\$ 9,058.00	\$ 9,058.00
Evaluation of New Permit Conditions	\$ 9,674.40	\$ -	\$ 9,674.40
Hearings and Hearing Preparation	\$ 25,007.20	\$ 30,756.50	\$ 55,763.70
Meetings	\$ 8,545.00	\$ 11,778.20	\$ 20,323.20
<b>Total</b>	<b>\$ 74,952.20</b>	<b>\$ 67,472.90</b>	<b>\$ 142,425.10</b>

If you have any questions about this request, please do not hesitate to call me at 805.289.3923.

Best Regards,



John F. Peirson, Jr.  
Principal

mrs



Table 2 Detailed Costs for Additional Hearings and Meetings

Staff	S/hr	Planning Commission Hearings										Board of Supervisor Hearings										Total																			
		Response to Letters Submitted to PC					Staff Report and Conditions of Approval					Evaluation of New Permit Conditions					Hearings and Hearing Preparation							Response to Letters Submitted to Board					Appeal Staff Report					Hearings and Hearing Preparation					Next Steps		
		Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs	Hours	Costs						
A. Direct Labor																																									
John Person	\$ 220.00	40	\$ 8,800.00	40	\$ 8,800.00	16	\$ 3,520.00	48	\$ 10,560.00	24	\$ 5,280.00	32	\$ 7,040.00	32	\$ 7,040.00	60	\$ 13,200.00	32	\$ 7,040.00	32	\$ 7,040.00	324	\$ 71,280.00																		
Sieve Radis	\$ 200.00	16	\$ 3,200.00	0	\$ -	4	\$ 800.00	8	\$ 1,600.00	0	\$ -	8	\$ 1,600.00	0	\$ -	8	\$ 1,600.00	4	\$ 800.00	4	\$ 800.00	48	\$ 9,600.00																		
Greg Chutick	\$ 180.00	32	\$ 5,760.00	4	\$ 720.00	16	\$ 2,880.00	48	\$ 8,640.00	16	\$ 2,880.00	24	\$ 4,320.00	4	\$ 720.00	60	\$ 10,800.00	16	\$ 2,880.00	16	\$ 2,880.00	220	\$ 39,600.00																		
Jon Chaston	\$ 168.30	8	\$ 1,346.40	4	\$ 673.20	4	\$ 673.20	6	\$ 1,009.80	0	\$ -	12	\$ 2,019.60	4	\$ 673.20	4	\$ 673.20	4	\$ 673.20	4	\$ 673.20	46	\$ 7,741.80																		
Shawna Scott	\$ 156.20	4	\$ 624.80	4	\$ 624.80	4	\$ 624.80	2	\$ 312.40	0	\$ -	2	\$ 312.40	4	\$ 624.80	2	\$ 312.40	2	\$ 312.40	2	\$ 312.40	22	\$ 3,436.40																		
Emily Creel	\$ 144.10	4	\$ 576.40	0	\$ -	4	\$ 576.40	2	\$ 288.20	0	\$ -	2	\$ 288.20	4	\$ 576.40	2	\$ 288.20	2	\$ 288.20	2	\$ 288.20	14	\$ 2,017.40																		
Bob Carr	\$ 150.00	4	\$ 600.00	0	\$ -	4	\$ 600.00	2	\$ 300.00	0	\$ -	2	\$ 300.00	0	\$ -	2	\$ 300.00	2	\$ 300.00	2	\$ 300.00	14	\$ 2,100.00																		
Total Direct Labor		108	\$ 20,907.60	52	\$ 10,818.00	52	\$ 9,674.40	116	\$ 22,710.40	40	\$ 8,160.00	82	\$ 15,880.20	44	\$ 9,058.00	138	\$ 27,173.80	56	\$ 11,393.20	56	\$ 11,393.20	688	\$ 135,775.60																		
Other Direct Costs																																									
Travel			\$ -		\$ -		\$ -		\$ 2,088.00		\$ 350.00		\$ -		\$ -		\$ 3,527.00		\$ 350.00		\$ 350.00		\$ 6,045.00																		
G&A on Other Direct Costs			\$ -		\$ -		\$ -		\$ 208.80		\$ 35.00		\$ -		\$ -		\$ 235.70		\$ 35.00		\$ 35.00		\$ 664.50																		
Total Other Direct Costs			\$ -		\$ -		\$ -		\$ 2,296.80		\$ 385.00		\$ -		\$ -		\$ 3,582.70		\$ 385.00		\$ 385.00		\$ 6,449.50																		
Total Costs		108	\$ 20,907.60	52	\$ 10,818.00	52	\$ 9,674.40	116	\$ 25,007.20	40	\$ 8,545.00	82	\$ 15,880.20	44	\$ 9,058.00	138	\$ 30,756.50	56	\$ 11,778.20	56	\$ 11,778.20	688	\$ 142,425.10																		





## ASSISTANT PROJECT MANAGER – ESTIMATED COSTS

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING  
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

*Promoting the Wise Use of Land • Helping to Build Great Communities*

Using Form

Trust Account Number \_\_\_\_\_ Project Manager: Ryan Hostetter Date May 31, 2016

Project Title/Type Phillips 66 Development Plan / Coastal Development Permit

ED/Planning Numbers: ED 12-201 / DRC2012-00095 Contract Type: Existing Contract Amendment Staff Support

### CONSULTANT COSTS:

a)	Assistant Project Management (Time and Materials – total not to exceed)	\$ 56,620
b)	Meetings/Hearings (total not to exceed)	\$ 0
c)	Findings (total not-to-exceed)	\$ 0
d)	Other _____	\$ 0
<b>Total Consultant Base Subtotal</b>		<b>\$56,620</b>

e)	Options ( )	\$
Contingency (30% of fixed fee)		\$16,986
Other _____		\$ _____
<b>Other Cost Subtotal</b>		<b>\$16,986</b>
<b>SUBTOTAL</b>		<b>\$73,606</b>

### ENVIRONMENTAL COORDINATOR'S ADMINISTRATIVE FEE:

(0% of consultant base costs, contingency & options)	\$ 0
<b>SUBTOTAL</b>	<b>\$73,606</b>

**TOTAL ESTIMATED COST** **\$73,606**

Approved by Ellen Carroll Ellen Carroll June 1, 2016  
Name Signature Environmental Coordinator (Date)

Assistant Project Management by: SWCA Environmental Consultants (805) 543-7095

As applicant for this project, I hereby accept the estimated cost for preparation of the above document and agree to deposit with the Co. of San Luis Obispo, Dept. of Planning & Building-Environmental Division, a sum equal to the estimated cost. Upon receipt of this sum, the Environmental Coordinator is authorized to employ the above-named consultant and to complete the document.

Applicant or Agent	Signature	Date	Telephone
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### For official use only

☐ Original to Accounting ☐ Board Contract OAR # \_\_\_\_\_

cc-Accounting





ENVIRONMENTAL CONSULTANTS

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San Luis Obispo Office  
1422 Monterey Street, Suite C200  
San Luis Obispo, CA 93401  
Tel 805.543.7095 Fax 805.543.2367  
www.swca.com

May 27, 2016

Ryan Hostetter, AICP, Supervising Planner  
County of San Luis Obispo  
Department of Planning and Building  
County Government Center  
San Luis Obispo, CA 93408

**RE: Contract Change Order – Scope of Work and Cost Summary to Provide Planning Commission and Board of Supervisors Hearing Support Services to the County of San Luis Obispo for the Phillips 66 Santa Maria Refinery Rail Project EIR / SWCA No. 26682**

Dear Ms. Hostetter:

Thank you for your request to have SWCA Environmental Consultants (SWCA) prepare a time-and-materials not-to-exceed contract change order proposal to provide assistant project management and project hearing support services to the County of San Luis Obispo (County) for the continued processing of the Phillips 66 Rail Spur Project (project).

The contract change order is being prepared based on our meeting last week where we discussed the scope of services that will be required by the County, SWCA, and MRS due to the Planning Commission's tentative motion at the May 16, 2016, hearing to approve the project. As a result of the Planning Commission's tentative direction, a substantial amount of work will need to be completed prior to the next set of Planning Commission hearings beginning September 22, 2016. In addition, several more Planning Commission hearings than previously expected will be required due to the required re-opening of public comment. The work associated with these tasks was not included in SWCA's previous change order. Our previously submitted change order was processed a 1.5 years ago and was based on a schedule that included issuance of the Final Environmental Impact Report (FEIR) in March 2015, Planning Commission hearings starting in July 2015, and a Planning Commission or Board of Supervisors decision on the project in September 2015. However, due to an approximate 9-month delay in issuing the FEIR in order to implement further health risk assessment work, sensitive habitat mapping, and due to an increased need for support by the County in completing a hearing process that has included six hearings to date, SWCA's previous budget has been fully utilized.

Based on extremely high interest in the project by agencies, special interest groups, media, and the general public throughout California leading up to the first six hearings, it is my understanding that the County anticipates potentially needing an additional four Planning Commission hearings and five Board of Supervisors meetings in order to get the project through the decision making process. The County is also expecting a much heavier staff workload than usual in order to make these hearings happen in an expedited manner.

Specific project tasks that the County has identified, and that we have discussed will be required in completing the project, generally included the following:

- Review responses to letters and comments submitted during Planning Commission Hearings;
- Prepare Planning Commission, Approval-based, Staff Report;
- Prepare Conditions of Approval (COA);
- Prepare a Statement of Overriding Considerations (SOC);



- Review additional environmental analysis for COA recommended by the Planning Commission;
- Prepare for Planning Commission Hearings;
- Attend Planning Commission Hearings;
- Review responses to letters and comments submitted during Board of Supervisor Hearings;
- Prepare Board of Supervisor Staff Report;
- Prepare for Board of Supervisor Meetings; and,
- Attend Board of Supervisor Meetings.

The budget being requested is based on the effort required to prepare for, assist the County with, and attend seven additional 8-hour hearings. It is also based on the level of effort that has gone into preparation for the previous three hearings. Based on these assumptions, I am proposing a time-and-materials budget of **\$56,620.00** (see table below). If any of the funding below is not used, it will be returned to the applicant by the County.

**Table 1. Scope of Work Cost Estimate**

TASK	B. HENRY \$190	FEE
Task 1. Review Planning Commission Comment Responses	24	\$ 4,560.00
Task 2. Planning Commission Staff Report Prep.	40	\$ 7,600.00
Task 3. Prepare COA and SOC's	8	\$ 1,520.00
Task 4. Review Additional Analysis	16	\$ 3,040.00
Task 5. Preparation for 4 Planning Commission Hearings	40	\$ 7,600.00
Task 6. Attend 4 Planning Commission Hearings	32	\$ 6,080.00
Task 7. Review Board of Supervisors Comment Responses	8	\$ 1,520.00
Task 8. Prepare Board of Supervisors Staff Report	40	\$ 7,600.00
Task 9. Preparation for 5 Board of Supervisors Meetings	50	\$ 9,500.00
Task 10. Attend 5 Board of Supervisors Meetings	40	\$ 7,600.00
<b>PROJECT TOTAL</b>	<b>488</b>	<b>\$ 56,620.00</b>

Should you have any further questions or need additional information, please give me a call. I look forward to assisting the County in the management of this project.

Sincerely,



Bill Henry, AICP  
Office Director